

February 11, 2005

TO: 2004 OTH Telecommunications
Annual Report Preparers

File TELANRPT

FROM: Kevin H. Klingbeil, Audit Manager
Telecommunications Division
Public Service Commission of Wisconsin

SUBJECT: Filing of 2004 Public Service Commission of Wisconsin
Alternative Telecommunications Utility-Other Telecommunications Provider
(OTH) Annual Report

The 2004 OTH annual report software program primarily used by competitive local exchange carriers has been completed and must be used for filing of the 2004 annual report with the Public Service Commission of Wisconsin (Commission). This software program is not to be used by any other telecommunications providers.

An entity risks losing its Wisconsin intrastate certification if the 2004 OTH annual report is not filed with the Commission in a timely manner. In addition, a 2004 annual report filed subsequent to April 1, 2005, may subject an entity to penalties, forfeitures, or other actions. Incomplete annual reports (i.e., reports missing substantive financial and/or statistical information) may be considered not to be in compliance with this filing requirement.

Download the 2004 annual report file(s) and associated installation instructions from the Commission's Web page at <http://psc.wi.gov>. They are accessible by clicking on the **2004 Annual Report Program for Alternative Telecommunications Utility-Other Telecommunications Providers (OTH)**. System requirements and a listing of entities required to file the 2004 OTH annual report are also available on the Web page. The listing includes entities currently authorized to provide intrastate service in Wisconsin as well as selected other entities which are not currently authorized but continue to provide service in violation of Wisconsin statutes and/or administrative rules. **(DO NOT USE THE 2003 ANNUAL REPORT PROGRAM FOR 2004 CALENDAR YEAR REPORTING!)**

Please note the following concerning the 2004 annual report:

- 1) Filing via e-mail using the 2004 program's capabilities is required unless additional provisional confidential treatment is desired. If filing via e-mail, no hardcopy printouts, CDs, Confidentiality Request forms, or notarized affidavits should be filed with the Commission. If additional confidential treatment is desired, please see the Commission's Web page for OTH annual report filing instructions using the Electronic Regulatory Filing (ERF) System.
- 2) Read and follow the Installation Instructions on the Commission's Web page.
- 3) The program's Schedule and Topic Help files are posted on the Commission's Web page.
- 4) Informal discussions with selected industry representatives occurred during 2004 resulting in a number of changes concerning the OTH annual report, as noted below:
 - a. Two new schedules have been added: Services Offered (p. 24); and Communities Served with Basic Local Service (p. 25).
 - b. The following schedules are no longer required: Income Statement-Total Company; Retained Earnings-Total Company; and Access Expenses, Billing Expenses & Charges Imposed by Another Carrier.
 - c. The income statement on p. 7 has been modified from a Wisconsin intrastate operations basis to a Wisconsin total operations basis.
 - d. The balance sheet schedules for Assets and Liabilities and Capital formerly on pp. 8 and 9, respectively, have been combined into one new schedule, Total Company Balance Sheet, on p. 8.
 - e. The Average Number of Subscribers schedule, formerly on p. 16, has been replaced with a Year-End Number of Lines schedule.
 - f. In addition to streamlining numerous schedules (i.e., elimination of lines and/or columns), Last Year and First-of-Year (FOY) information are no longer required in the OTH report. Note that the Telecommunications Plant in Service & Accumulated Depreciation & Amortization-Wisconsin schedule has been condensed to only four columns of data on p. 12.
 - g. On p. 5, Identification and Ownership, percent ownership interest should be reported regardless of reporting entity type (e.g., corporation, limited liability company, partnership). Number of shares held by an entity owning the reporting entity should no longer be reported.
 - h. On pp. 14-15, Operating Revenues, a new line, Resale of Local Service, has been added to the Local Network Services Revenues category. In addition, the Long Distance Private Network Revenues category has been eliminated.
 - i. On the Operating Revenues schedule, three items formerly reported in the local revenues category (Reciprocal Compensation, Unbundled Network Elements (UNEs) and UNE Platform (UNE-P), and Other Interconnection) are now included in the Miscellaneous Revenues category. Do not consider these three items in reporting Wisconsin Gross Intrastate Operating Telecommunications Service Revenue on p. 20.
- 5) Confidentiality capability in the 2004 program is significantly increased from the 2003 program; it basically allows provisional confidential treatment for all of the financial information and selected statistical information. In the future, the Commission will issue an "Information Regarding Confidential Filings" decision concerning the 2004 OTH annual report. The 2004 program includes locks for these items.

- 6) OTH entities should note in the Other Information schedule on p. 21 the Web site address where the company's stockholders' report may be found.
- 7) Municipalities authorized by the Commission as competitive local exchange carriers (CLECs) should report only the CLEC-related amounts in the OTH annual report.

The Telco Annual Report Helpdesk is available to facilitate implementation of the program, address any questions, and receive any suggested improvements to the program. I am the primary Helpdesk contact person; my e-mail address is Kevin.Klingbeil@psc.state.wi.us. (My phone number is (608) 267-9504.) When e-mailing (or calling) the Helpdesk for assistance, be prepared to provide the following information:

- 1) Type of annual report (i.e., OTH);
- 2) Name and employer;
- 3) Phone number;
- 4) Utility name and ID number; and
- 5) Nature of problem (installation, navigating within the program, etc.).

If the program locks up, please reboot your computer, shut down all other software programs, and restart the annual report program prior to calling the Helpdesk. Shutting down other software programs while the annual report software program is being used minimizes potential problems. Also keep in mind that if you require administrative rights to install the program on your computer, you will also require administrative rights to export the annual report.

Commission staff does not intend to subsequently notify affected entities or annual report preparers of a maintenance release, if any, associated with this program or of the availability of subsequent years' annual report programs and/or maintenance releases. Staff suggests that interested parties periodically check the Commission's Web page at <http://psc.wi.gov> to ensure that the correct program is being used and that the annual report is filed with the Commission within the filing date guidelines.

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